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Mark Masselli: This is Conversations on Health Care. I am Mark Masselli.

Margaret Flinter: And I am Margaret Flinter.

Mark Masselli: Well, Margaret the political parties have finished their conventions and now we head into the final two months of the Presidential election which I am sure is going to be riddled with plenty of political ads right up to election day on November 6th.

Margaret Flinter: There was a lot of rhetoric from the conventions, Mark. But I think we also got a lot of specifics and we certainly have a pretty good idea about where each of the candidates stands on health care.

Mark Masselli: I think you are right. At the democratic convention, President Obama reiterated his commitment to the Health Care Law and to fighting the measure that would turn Medicare into a virtual system.

Margaret Flinter: Referring to that as a book of coupons certainly drew some response from the audience. And Governor Romney continues to promise over turning at least some aspects of the Health Care Law.

Mark Masselli: So, now it's up to the voters to decide what's most important for them and for their families. In the meantime, the two Presidential candidates remain neck and neck in the polls.

Margaret Flinter: One aspect of the affordable care of course is the provision to set up the health insurance exchange in each state that chooses to do so, these are really state run insurance marketplaces where many of the newly insured Americans and people previously just going to get insurance will be able to purchase health insurance.

Mark Masselli: There's still a fair degree of uncertainty surrounding them Margaret. Some states are opting out of setting them up all together. The Federal Government will provide coverage in those states and the states who are setting them up are each kind of navigating their own way around their design.

Margaret Flinter: And that will pave the way for how people will navigate their way around that design and our guest today is somebody who's been doing quite a bit of research and analysis on the best design architecture for the those health insurance exchanges.

Mark Masselli: And we'll be hearing from Lynn Quincy who's the Senior Health Policy Analyst for Consumers Union, the policy branch of Consumer's Report.

She's just out with a detailed report on best practices for designing online insurance marketplaces so that they are truly consumer friendly.

Margaret Flinter: And FactCheck.org's Lori Robertson separates fact from fiction from the recent party conventions that will keep her busy.

Mark Masselli: And as always, you can hear all of our shares by Googling CHCRadio.

Margaret Flinter: And if you have comments, please email us at chcradio.com or find us on Facebook or Twitter. We love to hear from you.

Mark Masselli: We'll get to our interview with Lynn Quincy in just a moment but first here's our producer Marianne O'Hare with this week's headlines.

Marianne O'Hare: I'm Marianne O'Hare, with this Headline News. And let the sparring begin. President Barack Obama and his GOP challenger for the job hit the campaign trail in earnest this week. President Obama **went to** rally in Florida, the Ryan-Romney plan for Medicare but cost seniors more saying he would vow to block the privatization of Medicare. He says the Romney-Ryan Medicare plan will certain cost seniors thousands out of pockets as well as more profits for insurance companies. Mr. Obama cited one Harvard study that closely analyze the Romney-Ryan plan and result was it would cost current seniors on average about \$11,000 more per person out of pocket and for those in their early 50s now, close to \$60,000 over the life of their Medicare when they hit that age. GOP hopeful Mitt Romney did say, in meantime, there were some aspects of the Health Care Reform Law that he like to saying he would think about keeping a part of the law that kept insurance companies from denying insurance coverage to those with pre-existing conditions and also allowing young people to stay on their parents' health insurance policy till age 26. Meanwhile, a study shows that the young adult population did reduce their uninsured rate by 6% last year alone since the passage of the Affordable Care Act several million young adults were able to keep or retain insurance through their parent's insurance plans. Waste not, want not, not a phrase practiced diligently in the medical world, the Institute of Medicine has appalled a recent assertion that about a third of all health care dollars are spent on wasteful procedures, the IOM has just released a report saying about \$750 billion a year are wasted in unnecessary tests and procedure and that 75,000 deaths year could be prevented if more protective policies were in place. And, Procol Harum may have sung off simple sisters getting whooping cough but it is on the rise and a study in California shows that parents have kids in private schools in that state were far more likely to avoid vaccinating their children. Lack of immunization is the reason being cited for the uptick in whooping cough. I'm Marianne O'Hare, with this Headline News.

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Mark Masselli: We're speaking today with Lynn Quincy, Senior Policy Analyst for Health Reform at Consumers Union, the advocacy in public policy division of Consumer Reports, an independent non-profit organization dedicated to ensuring a fair, safe and just marketplace for all consumers. Ms. Quincy is an expert in a wide variety of health policy issues and recently released an in-depth report on the importance of choice architecture in the design of web portals for health insurance exchanges which are being created around the country under the Affordable Care Act. Ms. Quincy, welcome to Conversations on Health Care.

Lynn Quincy: Well, thank you Mark. I am very pleased to be on this important program.

Mark Masselli: Now the nation's health reform law is about to bring tens of millions of Americans into the insurance rules by 2014. Many of them will be navigating online health insurance exchanges to purchase their insurance. But before we get to your report on Choice Architecture, let's take a look that the idea of health insurance exchanges seems to be a lot of confusion among consumers as well as states, who are charged with setting up these exchanges, so what are they -- how do they work and why are insurance exchanges such an important element of the Affordable Care Act?

Lynn Quincy: Well, here is how consumers should think about exchanges, they are in online marketplace where you can go and buy health insurance and in that way they are kind of like the online travel agencies that we use today but they are actually better than that for a couple of reasons. First of all, exchanges are non-profit entities, that are established to serve the public interest and that's really good for consumers. Just as an example it means that a health plan couldn't pay to be listed first among the choices, you won't see that type of thing. Furthermore, all the plans that are sold in these exchanges will be qualified by either the state or the federal government and that gives confidence to consumers but most importantly it's only plans that are sold in the exchanges that are eligible for the new premium tax credit that starts in 2014, you can use these tax credits to make coverage more affordable and we all know, if there's millions of consumers that are in that position where they need some help with the affordability of their coverage. States, that aren't setting up their own exchanges and the law has a fallback, the federal government will operate the exchange in any state that is not going to set up their own exchange and it will do so in partnership with the state so that, you know, that exchange reflects what's going on in that state. We have a consumer group such as my own, check in with these federal regulators periodically, I know, they are hard at work so consumers in every state should have an exchange option when open enrolment begins October 1st, 2013.

Margaret Flinter: Well Lynn, you've spent conducting some in-depth analysis of how choice architecture of these online exchanges is really vital to consumers making the right decisions when they purchase their health care plans and I

know your team at Consumers Union was inspired to look into this area after the book about Choice Architecture called Nudge suggested just how important this is for consumers, maybe for our listeners you could explain what you mean by this concept of choice architecture.

Lynn Quincy: Choice Architecture refers to how your choices are structured and the book Nudge really popularize this concept and the way in which your choices are structured turns out to be really powerful and marketers have figured this out but it's sort of time for policymakers and even exchange designers to step up to the plate and understand this tool that they've been handed.

Mark Masselli: You know, let's talk a little about that and you've been thinking about behavioral economics of buying health insurance and it's daunting and complicated task for even informed consumers and now with the individual mandate, more the population will be buying their policy online and as a consumer advocacy organization, you've given a lot of thought as to how consumers should be considered in this area of choice architecture. Why is it so difficult so complicated for consumers to make the right choice when it comes to buying health insurance?

Lynn Quincy: Health insurance is a very complicated product. The consumer testing that we conducted shows that consumers understand the basic tradeoff between how much premium they pay and how much coverage they get, but they are very frustrated because it is actually almost impossible for them to assess one side of that equation which is how much coverage am I getting. In order to get to sort of a bottom line, you have to have a way of rolling up a whole bunch of discrete plan features like the deductible, the co-pay, the patients out of pocket limits and in today's world it is pretty much impossible, it's simply too big a cognitive task. And as a consumer organization, we feel that's simply unfair when you're talking about a product that's this expensive, it is also vital to the financial and medical health of families. One thing that I might want to clarify is there's going to be lots of non-online options and I just don't want your listeners to feel like that will be the only shopping avenue open to them.

Margaret Flinter: You know Lynn it reminds me of when Medicare D first came on the scene and you can imagine that was a daunting process for millions of seniors around the country. Maybe, shed some more light for the consumer on what they are going to have to do if they do choose to go online and enroll on insurance, what do you envision the step by step process to be and concurrently with that what is the education outreach campaign that states are expected to produce to make sure that people get there and are knowledgeable about how to proceed?

Lynn Quincy: Well, states are required to have an outreach plan to raise consumer awareness of their new rights and their new obligations and I think that states and the federal government are probably going to approach this in a wide

variety of ways. There's going to be a lot of competing products for those consumer eyeballs, there's going to be look alike exchanges that are sort of scams and there's also going to be in most states legitimate non-exchange websites that help consumers navigate exchange products. So, consumer has to sort of figure out where am I even going to start, but let's say they decide that the states done a good job with outreach the consumer decides to go to the exchange. Exchanges have a lot of design decisions to make and I know from talking to folks in different states, in some cases, they're going to take the approach of asking for quite a bit of upfront information from the consumer, in other cases, exchanges may say, "Go ahead and browse the plans and we'll figure out later if you got interested in a sort of a plan that you don't qualify for some reason." Once consumers are at the point where they are browsing at their health care options, they're going to have a lots of tools at their disposal; it's going to be quite robust as best I can tell from talking to states.

Mark Masselli: We're speaking today with Lynn Quincy, Senior Policy Analyst for Health Reform at Consumers Union. She just came out with a report Choice Architecture: Design Decisions that Affect Consumers' Health Plan Choices which is aimed at policymakers and insurance companies to create online health insurance portals that will be user friendly once the insurance exchanges are up and running. Lynn, you've worked with the folks at CMS and State of Massachusetts Health Connector, you produced this report to fill a hole in what you saw as evidence based analysis and what's going to be the best for consumers. Give us some examples of a good plan design.

Lynn Quincy: So, here is some of the elements of a good design. A very consumer friendly choice architecture which again is how are those health plan choices displayed for the consumer? My top point would be that you must pay great attention to that initial default display of search results. The first time you see the list of plans that you might potentially purchased, what does that display look like? In our own research and what these other online tools told us is that many consumers never alter that display, they essentially make their decision from whatever shows up there. So, things like the order in which the plans are sorted and what do you emphasize by a design elements. One of the tools we talked to is a tool called Consumers Checkbook and they have a robust tool that's used for federal employees. Their default sort uses an estimate of what the typical family would have to pay out of pocket if they had that plan and they actually add to it premium, so it becomes the cost of choosing that plan for a year and it's just an estimate but it's an amazingly powerful design decision that was made. Earlier, I said how difficult it was to figure out how much coverage is offered by a plan and by providing this estimate of what a typical family might pay under a given plan, they've essentially done some of that work for the consumer. Secondly, you should be able to navigate it intuitively, it shouldn't be something that consumer have to learn to do, they should be able to look at it and know what they need to do. And finally, there needs to be robust consumer testing before it's rolled out and then ongoing feedback once it is rolled out and that may

seem a little bit silly but in my experience, I think a lot of entities under spend on consumer testing which is just a very powerful way to make sure that you've done it right.

Margaret Flinter: Maybe we should ask you the reverse of that what will be some examples of things that aren't geared to the best interest of the consumer, things that the health insurance consumer should really watch out for and what's a system that would fail to meet the needs of the stakeholders and the consumers in this process?

Lynn Quincy: Well, as we've looked at across the universe I have really a long list but I'll only mention a few. Some practices that I think are not consumer friendly would be using a proprietary method to sort the plan search result to craft a new data point for the plan, so for example, let's say you had, you know, stars rated on customer feedback but the, you know, consumer couldn't understand and what the methodology was for creating those star, then they should be suspicious, I mean it's possible, this is more likely I would say outside the exchange in the plan chooser tools that would be out there with those alternate broker websites. The way that in results are sorted is very, very powerful and if it's sorted by something that is proprietary you can understand what it is, I'd say that's a red flag. We have websites now that sell Medicare plans, so it's a similar sort of construct and they might show all the plans but only if the consumer navigates and does like seven or eight clicks to get to all the plans and what that default display is just the plans for which they have the most profitable contractual arrangement. So, that would be, to me that's a violating the spirit of what you're supposed to be doing and another red flag for consumers, if not all your choices are currently displayed, in other words, some are hidden, that needs to be made perfectly clear to the consumer because their default assumption is going to be that, "I'm looking at all my choices and I should select from among the ones that are displayed." Those are some key things that I'm going to be on the look out for and that I'm a little worried about.

Mark Masselli: Lynn, for listeners who don't know Consumer Union is dedicated to protecting the rights of consumers. So, let's talk about the Health Care Law in general, you've been consulting with the Department Of Health and Human Services meeting with members of congress since before the health law was actually passed, you've participated in hearings, doing consumer surveys of what would be best for consumers on the Affordable Care Act and you say that this is a very consumer friendly bill, so let's talk about what makes this bill so consumer friendly beyond what most of us are already aware of, something new that's starting this month under the ACA, a new summary of coverage and benefits that's intended to provide more transparent information to the consumers. What are the requirements of this new summary and how does this help consumers?

Lynn Quincy: The summary of benefits in coverage is not well known but it's actually a powerful consumer benefit. They may even improve how the health

insurance markets function. The form is a standard uniform way of displaying health insurance information like what is the deductible, what is the co-insurance, what is excluded from coverage. By having all that information displayed in a uniform way and a consumer friendly way, consumers can now shop for health plans and line up these forms side by side and compare plans much more easily. Before the form came out, you would have to compare plans but their information wouldn't be lined up in a standard way and they wouldn't be using uniform definitions for things. So, we consider this a wonderful step forward for consumers in long overdue.

Margaret Flinter: So Lynn, as we really enter this next phase where we've gone from all of the planning for the ACA to the implementation. Consumers Union really providing I think incredibly important service for the country. I understand you are setting up a website for consumers to report on how their experience under the Affordable Care Act is going and you plan to aggregate that information and make it available both to policymakers and to the public to maybe focus on what's working well and also improve problem areas that emerge. Tell us about these ongoing research plans that are really aimed at monitoring the impact of the Health Care Law.

Lynn Quincy: The initial monitoring effort that we're just kicking off now is specifically directed towards consumer's experience with that summary of benefits and coverage forms. The Department of Health and Human Services has pledged to improve the form overtime which is atypical for disclosures of this nature. And we want to provide really robust evidence to take advantage of that process that they have committed to. So, we will be doing a nationally representative survey in order to understand consumer's experience with the new form and we're also going to set up a web-based feedback collection tool. We're going to widely advertise it, consumers can go to the website, they can fill in information about their experience with the form or even if they never saw it when they shop for coverage which is a phenomenon we hope we don't see but we're going to try to unearth if it's there. And there will be open ended questions to generally say how you would improve the form if it was particularly problematic and you want us to see exactly what you were looking at. So, that's what we're going to do initially and if this is successful, I hope that we will actually expand it to see how the law is working for consumers more generally.

Mark Masselli: Lynn, we'd like to ask all of our guests this final question. When you look around the country in the world, what do you see in terms of health care innovation that our listeners at Conversations should be keeping an eye on?

Lynn Quincy: Let me actually go back to the summary of benefits in coverage form. Inside that form which displays traditional health plan information in consumer friendly way, deductible and so on, it also includes something new that consumers have never seen before which is called a coverage example. And a coverage example shows where the health plan, what would it pay for a standard

medical scenario, and the first two scenarios are having a baby and a year's worth of treatment for, I think it type 2 diabetes, in our testing these proved incredibly innovative. They really changed the conversation for consumers with respect to A: How much coverage am I getting under this plan? But it also reminded them that insurance is valuable and believe it or not it actually in our testing it reversed the decision of consumers in terms of whether or not they would purchase a given health plan. That's one of those little innovations that may actually prove to be very powerful in terms of a better functioning insurance market.

Margaret Flinter: We've been speaking today with Lynn Quincy, Senior Policy Analyst for Health Reform at Consumers Union, Policy and Advocacy branch of Consumer Reports, a non-profit independent organization dedicated to protecting consumers in this country. Lynn, thank you so much for joining us today on Conversations on Health Care.

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Mark Masselli: At Conversations on Health Care, we want our audience to be truly in the know when it comes to the facts about Health Care Reform and Policy, Lori Robertson is an award winning journalist and managing editor of FactCheck.org, a non-partisan, non-profit consumer advocate for voters that aim to reduced the level of deception in US politics. Lori, what have you got for us this week?

Lori Robertson: Well, Mark and Margaret, I was in Charlotte last week for the democratic national convention and we took a close look at President Bill Clinton's speech. We didn't find a lot wrong but we did find one thing concerning health care. Clinton suggested that the Affordable Care Act was responsible for a drop in the rate of growth in national health care spending. But, experts say the big reason for that slow down is the sluggish economy. Clinton was right when he said that health care spending was under 4% in growth for the last 2 years.

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